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Report Highlights:
Indonesia is an archipelago nation of around 216 million people (2003), making it the world's fourth most populous nation, U.S. agricultural exports in 2003 were US $1 billion and during the first six months of 2003 reach a level of us $ 500 million. The rapid growth of the modern supermarket sector and the food service industry will boost the availability of imported products. Vast opportunity exist for U.S. food exporters in Indonesia, but potential entrants must establish personal contacts and be aware of import regulations.

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SECTION I. MARKET OVERVIEW

Economic Trends and Outlook

Indonesia is an archipelago nation of around 216 million people (2004), making it the world's fourth most populous nation. Real GDP growth averaged over 7 percent per year for the decade beginning in 1987. In 1996, (before the financial and economic crisis hit much of Asia), total U.S. agricultural and forestry products exports to Indonesia were nearly $900 million. Beginning in late 1997, however, Indonesia experienced a dramatic collapse in its economy. This sharp economic contraction, exacerbated by a severe El Nino drought in 1997/98 and ongoing political uncertainties, resulted in Indonesia moving from a 'Big Emerging Market' status to one of the world's largest recipients of food and humanitarian assistance. Concomitantly, U.S. agricultural and forestry exports dropped to $813 million in 1997 and $495 million in 1998.

In 1999, the economy and in turn U.S. agricultural exports, began to recover. Flat growth in 1999 was followed by 4.8 percent GDP growth in 2000, 3.3 percent growth in 2001, 3.6 percent growth in 2002, 4.0 percent growth in 2003. For 2004, growth is expected to approach 4.6 percent, and hit 5.1 percent in 2005. U.S. agricultural exports rebounded to $571 million in 1999, $718 million in 2000, $949 million in 2001, $859 million in 2002, $1 billion in 2003 and during the first six months of 2004 reached $509 million. This makes Indonesia once again a top fifteen market for U.S. agricultural exports. USDA export programs have played a crucial role in this achievement, most notably the GSM-102 Export Guarantee Program, Supplier Credit Guarantee Program, the PL-480 and Section 416(b) food assistance programs.

Though surprisingly resilient, the Indonesian economy must overcome numerous challenges before achieving a sustainable foundation for long-term growth. The most serious challenges include a weak banking sector, large public and private sector debt, exchange rate volatility, entrenched corruption, and political uncertainty in the country. On the positive side, fundamental political changes have made Indonesia the world's third largest democracy, a major first step towards furthering political and economic reforms. The overall economic outlook for Indonesia is for slow but continued growth with annual U.S. agricultural exports expected to grow concomitantly.

Market Opportunities

- Indonesia's population is relatively young with more than half the population (66%) between 10-49 years old. Nearly 60 percent of the population lives on Java and accounts for 60-65 percent of the sales of fast moving consumer goods. Java also has the best infrastructure although urban areas in Sumatera, Bali and Sulawesi are also developing.

- It is currently estimated that the upper and middle income groups combine to represent 15 percent of the population, or equal to about 32 million people. This is about half of the pre-crisis level of 78 million. Most of these people live in the major urban areas, including cities on Java (Jakarta and its surroundings, 12.5 million people; Surabaya, 3 million; Yogyakarta and surroundings 1.8 ; Bandung, 2 million; and Semarang, 1.3 million); Sumatera (Medan, 2.1 million; and Palembang, 1.5 million); Sulawesi (Makassar, 1.5 million; and Manado, 1 million); and the island of Bali (1.6 million); Kalimantan (Balikpapan & Samarinda, 1 million).

- The population has become increasingly more literate and Westernized during the past decade due to increased overseas studies and international travel; access to international TV; expansion of modern malls in big cities; dramatic growth in major international hotel and restaurant chains (including fast food), and foreign tourist arrival (4.4 million in 2003 a drop of 14% from 2001).

- The peak business periods are during the holiday seasons when consumer spending increases. The most important holiday seasons are Ramadhan (the month-long Muslim fasting period in which food consumption goes up significantly), Lebaran or Idul Fitri (Muslim celebration of the end of the fasting), and Chinese New Year. Indonesians consume significantly greater amounts of flour, sugar, eggs, poultry, meat, cheese, cakes, cookies, pastries, fresh and dried fruits during these holiday periods.

- Even though Christmas is celebrated by less than 10 percent of the population, stores take advantage of the season and decorate and promote festive foods such as special fruits, sweets and pastries. Other western celebrations such as Valentine's Day, U.S. Independence Day, and Halloween have also become trendy among upper-scale restaurants in Indonesia.

- The Indonesian consumer is very price conscious and susceptible to economic swings, with purchasing fluctuations occurring more in the middle and lower level income groups. Although the Indonesian consumer is traditionally loyal to brands, there are signs that brand loyalty is diminishing while "brand image" has become more important.

- More urban women are entering the workforce and choosing to stay there after marriage and children. With less time available for shopping and cooking, focus is increasingly on convenience.

- The number of household appliances for cooking is low. In urban areas, an estimated 31 percent of households have a refrigerators and only 5 percent in the rural area. Cooking with electric appliances occurs in only about 4 percent of urban households and 2 percent in the rural areas.

ADVANTAGES AND CHALLENGES FACING U.S. PRODUCTS IN INDONESIA	
Advantages	**Challenges**
Market scale - Indonesia has a population of around 216 million people.	Weak purchasing power of the majority of the population.
Around 10% of population is between 10-14 years of age. The majority are expected to participate in tomorrow’s consumer market, or are already.	The Muslim population (88%) does not consume non- halal products.
Applied duties on food and agricultural products are 5 percent or less.	Import regulations are complex, often non-transparent, and require exporters to establish close business relationships with local importers/agents.
The distribution system on the island of Java is improving, providing increased access to a population of 126 million (58.65%).	Infrastructure, including ports and cold storage, facilities outside of the main island of Java are poorly developed.
A reputation for quality is the strongest selling point for U.S. food products.	Third-country competition remains strong, especially from Australia, New Zealand and the

point for U.S. food products.	Europe. Food products import from Malaysia, Philippines, Thailand and China is growing.
A stable currency, a direct result of improved economic and political situation, has made imported products more affordable to middle-income consumers.	Import financing remains a problem as Indonesia's banking system remains weak after the impact of the 1997 financial crisis.
Distribution and availability of imported products will be expanded by the rapid growth of the modern supermarket sector and western restaurant chains.	Important considerations are labeling regulations, including halal, and shipment sizes. U.S. companies need to work with U.S. consolidators and be prepared to send smaller quantities.
Indonesia has a well-developed tourism industry with many hotel chains and restaurants purchasing imported products through local agents/importers.	In a cost-cutting measure, many hotels replaced much of their expatriate F&B staff with locally-hired staff. While most are well-qualified, they are unfamiliar with U.S. quality food products and tend to emphasize price over quality. Terrorist elements in the country also influence the amount of foreign tourist arrival.
Indonesia is rich in natural resources, with multinational companies involved in the development of oil & gas, mining, and lumber. Some of the well-developed sites have commissary services with significant demand for imported products.	Sites tend to be in remote areas where transportation and lack of infrastructure presents barriers to cost-efficient distribution of imported food products.

SECTION II. EXPORTER BUSINESS TIPS

Business Customs

· While quality and price are important, they are secondary to the personal interaction of the business partners. Perhaps nowhere in the world is meeting face-to-face more important than in Indonesia.

· Market visit to conduct research, especially for product testing, price comparison, adjusting the product for local tastes, and understanding government regulations is critical. meet the importers, distributors and retailers - they can help you with your market research

· It is a good idea to start your research in Singapore where your product can easily move into the ASEAN region. Singaporean agents, importers, distributors and retailers are sophisticated and know the regional markets well. In addition, the shipping time is less and smaller shipment sizes can be sent into new markets from Singapore.

· Appoint one or several agents on a trial basis and provide them with incentives to get your product into the market. Support your agent by maintaining product quality. Educate the agent, the importer, the distributor, the retailer and the consumer about your product. This market for consumer-ready food products is relatively new and it should never be assumed that anyone knows how to promote, handle, and prepare your product.

- Be patient and think long term. It is not unusual to visit the market 2-3 times before details are finalized.

General Consumer Tastes and Preferences

?? Lunch and dinner meals consists mainly of rice together with two or three meats/fish and vegetable dishes that are prepared according to various ethnic styles and tradition. There is a general tendency to consume a large portion of fresh produce, often bought on day of consumption. Religious affiliation affects food consumption. Muslims do not eat pork, and only eat meat products that have been certified halal as well as other domestically produced food items.

?? When introducing new products, several factors should be kept in mind. Indonesian consumers have an aversion to low-quality products and are attracted to branded products. They also tend to be image conscious and very price sensitive. Brand loyalty is most likely to be broken by products that are of good quality, well packaged, well-distributed, well-promoted and competitively priced, rather than cheap products.

Food Standards and Regulation (FAIRS report ID4009)

- Have your appointed agent register your product. According to Indonesian regulations, all products must be registered through the National Agency for Drug and Food Control (BPOM) to obtain an ML ("Makanan Luar"/Import Registration) number. However, a significant percentage of the imported products on supermarket shelves are not registered and enter the market in mixed container loads. The registration process can be lengthy, bureaucratic and costly and generally requires a local agent or importer.

- Labeling and marking requirements: Food labeling are in place and the government is currently in the process of implementing new food labeling guidelines. Halal certification and labeling is not required at this time but these guidelines are also under review. Given that more than 88 percent of the population professes the Islamic faith, it is highly recommended that a *halal* certification be obtained.

- All beef and poultry products must be certified halal and the products must originate from slaughterhouses which have been inspected and approved by Indonesian veterinary (DG Livestock) and religious authorities (MUI). Also each meat shipment imported requires prior approval by the Ministry of Agriculture.

- Your product should be packed and shipped for a tropical climate, and have clear storage instructions. This is especially important as few cold storage or air-conditioned facilities and delivery trucks exist and sometimes stores turn off cold storage facilities at night to conserve energy.

General Import and Inspection Procedures

?? Since April 1977, the Customs Directorate of the Ministry of Finance has operated a post –entry audit system, which relies primarily on verification and auditing rather than inspection to monitor compliance. Problems occur regarding the customs procedures and valuation made by the Indonesian Customs and the irregular and non-transparent fees required to get shipments released.

?? Tariff and Import Taxes: Indonesia's bound tariff rates on major food and agricultural items generally range from 5 to 40 percent. Temporary tariffs, however, on all food items including high valued foods were cut to a maximum of 5 percent in February 1998 under

?? an IMF agreement and remain in effect as of 2004. The major exception is the 170 percent duty applied to all imported alcoholic beverages.

?? Other Taxes: The government levies a 10 percent value-added tax on the sale of all domestic and imported goods. A luxury tax ranging from 10 percent to 75 percent is also levied on certain products. For imports, these taxes are collected at the point of import and are calculated based on the landed value of the product, including import duties. Another tax is Sales tax (PPn) 2.5 percent.

Others

- Take advantage of the services offered by the Foreign Agricultural Service. We can provide a briefing in our office, provide contact lists for your areas of interest, arrange hotel accommodations, and inform you of upcoming events such as U.S. food product shows and agent shows.

- The Southeast Asia Market Access Program sponsored by the Western U.S.A. Trade Association (WUSATA) and the Midwest Agricultural Trade Association (MIATCO) provides many services for a fee including store checks, competitive products shopping, distributor referrals, and in-market assistance. See Section V for contact lists of all Foreign Market Development (FMD or Cooperator) programs and Market Access Program (MAP) participants active in the food sector in Indonesia.

- ***Always remember, while quality and price are important, they are secondary to the personal interaction of the business partners. Perhaps nowhere in the world is meeting face-to-face more important than Indonesia.***

SECTION III. MARKET SECTOR STRUCTURE AND TRENDS

A. Retail Sector:

Market Overview

The retail industry has evolved significantly from poor traditional markets and modest kiosks to sophisticated hypermarkets and superstores. At present, many big retailers are engaged in major expansion projects. With the entrance of some foreign retail giants like Carrefour, Giant, Makro, and Lion Superindo (Delhaize group), competition in the Indonesian retail market has become very fierce.

Table 1. Number of Retail Outlets by type 1999-2003

Description	1999	2000	2001	2002	2003
Co-operatives	74,751	79,512	84,510	89,748	95,264
Independent grocers	70,300	74,952	80,031	85,421	91,305
Convenience stores	1,025	1,121	1,225	1,325	1,615
Supermarkets	1,173	1,210	1,255	1,312	1,377
Department stores	522	550	573	602	643
Warehouse clubs	22	23	28	29	29
Hypermarkets	6	7	8	11	13
Others	21,571	28,573	38,595	48,050	60,222
Wet market	10,430	10,452	10,475	10,502	10,532
Total	179,800	196,100	216,700	237,000	261,000

Source: Euromonitor

Table 2. Percentage Growth of Retail Sales by Type of Outlet

Description	1999/2003 (excluding wet market)	2002/2003 (excluding wet market)
Co-operatives	74.0	11.1
Independent grocers	66.5	13.7
Convenience stores	64.7	13.0
Supermarkets	36.5	8.1
Department stores	36.7	7.3
Warehouse clubs	19.5	4.8
Hypermarkets	148.3	32.0

Source: Euromonitor

Table 3. Food Retailer Sales by Type of Outlet 1999-2003 (IDR billion)

Description	2001	2002	2003	2004 est	2005 est
Co-operatives	9,161	10,802	12,003	13,466	15,122
Independent grocers	32,003	36,246	41,201	44,000	48,958
Convenience stores	2,615	2,946	3,328	3,944	4,681
Supermarkets	9,981	10,756	11,625	12,636	13,761
Hypermarkets	1,995	2,720	3,590	4,739	6,351
Wet market	204,685	231,846	263, 826	291,931	322,241
Others	8,575	9,829	11,550	13,444	15,675
Total	269,044	305,144	347,122	384,160	426,790

Source: Euromonitor

Total food product, life animal, beverages, and tobacco import for 2003 were US$ 3 billion. Around 10 percent was consumed by end consumers and 24 percent of those products were imported as processed food.

Terrorist events and political uncertainty has reportedly had only a minimal impact on retail food sales. An exception is the specialty stores that carry a high percentage of imported items, which make them more susceptible to a decline in tourism and burdensome product registration requirements for imported food products.

Most supermarkets, hypermarkets, and warehouse outlets buy their imported products from distributors or agents. Some are importing direct from foreign suppliers, particularly perishable products. This trend is expected to expand in the near future. In general, new products and suppliers must be approved by the purchasing unit in headquarters (for national chain stores) in Jakarta. Subsequent orders may take place from individual stores, especially those outside of Jakarta. Delivery is to a central warehousing facility or individual stores.

Future Trends

In the near future, recently-developed patterns of consumer behavior are expected to continue growing (prefer shopping at the supermarket/modern outlet due to comfortable shopping space, a complete range of goods, guaranteed quality of products, competitive price, good service, and easy accessibility to the residents of the settlement area). Consumers are adjusting to paying higher prices for imported and local food products. They will remain very selective in their product purchases and will be looking for good quality products at low prices. Promotion will be important as consumers will be more fickle and there will be opportunities to replace traditional brands. There will be a growing concern with the nutritional aspects of food products.

Some retailers already offer a wide range of services to consumers, including the acceptance of credit/debit cards, ATM services, flower departments, laundry counters, food courts near shopping areas, automated banking services, and home delivery. A low-price or money-back guarantee is the main addition they see to retailers' service offerings. Others suggest that emphasis will be placed on increasing service quality and efficiency, rather than adding new services.

Future trends over the next five years include Ready-to-Cook and Ready-to-Eat foods due to modern life styles, both parents work, and international exposure.

Entry Strategy

The best way to penetrate the Indonesian market is to select an agent. In general, the volume of imported product sales is small. An agent is needed to assure the widest distribution for your products as well as to undertake the marketing efforts necessary to create awareness for your products among consumers as well as to register your products (ML number) with the National Agency for Drug and Food Control.

In some situations, it may make sense to sell your product directly to supermarkets and/or to appoint them as the exclusive distributors. This is primarily the case when your product is a gourmet, upscale product and not likely to generate sufficient volume to interest an agent in bringing in container loads or the retailers has sufficient outlets for supplying the products or fresh fruit. Nevertheless, your initial sales efforts to Indonesia should include both visits with potential agents as well as with key retailers.

Best Market Prospects

Best market prospects for U.S. suppliers include fresh fruit, beef offal, frozen french fries, sauces & seasonings, canned foods, frozen vegetables, salad dressings, and snack foods. Niche markets exist for frozen pizzas, frozen meat & poultry, delicatessen items, biscuits, confectioneries, breakfast_cereals, tomato paste, cooking/salad oils, and non-alcoholic beverages.

Further Information

For a more detailed assessment of the Indonesia retail food sector, please see: *Indonesia, Market Development Report, Retail Sector Report 2003*. Information on how to access this report is available under Section V.

B. HRI Food Service Sector

Market Overview

The Hotel, Restaurant, and Institutional (HRI) industry in Indonesia is extremely diverse. It consists of hotels, restaurants that serve local and Western food, fast food outlets, and clubs. Small restaurants, street stalls known as warungs, and hawkers that sell food to customers on the street comprise the majority of retail outlets. Catering operations service airlines, factories, and private social functions. Cruise and military ships, mining and oil operations, prisons, and hospitals are also a part of this sector.

It is estimated that only 10-20 percent of the food items purchased by the HRI trade are imported products. The majority of imported products are sold to four and five-star hotels and up-scale restaurants that sell Western food. A significant volume of imported items is also sold to Western fast food outlets, but the variety is limited. Approximately 60 percent of imported food items are estimated to move through the hotel and restaurant sector. Caterers and institutional users account for the remaining 40 percent.

In 2003, there were around 10,435 hotel-type institutions (263,000 rooms) in Indonesia, and 1,300 of those accommodation (37,000 rooms) are in Bali. The sub sector comprises 7.7 percent five star hotels, 14.8 percent four stars, 23.8 percent three star, and the rest below three star hotels. Most of the three star hotels and above are owned by international and domestic hotel chains.

Table 4: Sales in Consumer Foodservice by Sector 1999-2003 (IDR billion)

	1999	2000	2001	2002	2003
Cafes/bars	7,703	8,761	10,427	12,103	13,928
Full-service restaurants	32,881	41,367	52,678	63,626	74,985
Fast food	2,607	3,403	4,287	5,022	5,872
100% home delivery/takeaway	81	90	111	134	154
Self-service cafetaries	629	703	824	961	1,134
Street stalls/kiosks	4,395	4,799	5,434	6,270	7,051
Total	48,297	59,123	73,760	88,116	103,124

Source Euromonitor
USD :IDR 9,100 (Sept 27, 2004)

Table 5: Sales in Consumer Foodservice by Sector 1999-2003 (% transaction growth)

	2002/03	1999-03 (Average growth/ year)	1999-03 (Total)
Cafes/bars	6.1	7.4	33.3
Full-service restaurants	6.0	6.6	29
Fast food	9.7	10.3	48.1
100% home delivery/takeaway	4.7	6.4	28
Self-service cafetaries	7.7	6.8	29.9
Street stalls/kiosks	3.8	3.6	15.2
Total	4.8	4.9	21.1

Source Euromonitor

Shops specializing in coffee are growing including international chain (Starbuck Coffee, The Coffee Bean and Tea Leaf, Gloria Jean's, Dome coffee) and local chains. Fast food pizza as a meal alternative and bakery also experienced a significant growth. New bakeries are introduced with modern concept (bread boutiques or serving hot/cold sandwiches). The growth of foodservice industry is also push by the development of the shopping malls in the big cities where the food service outlets are located. New outlets in the café/bars sector increase but the popularity of specific outlets tends to be short-lived due to the frequent shifting of the consumer preference.

Away-from-home eating is a very common activity across all levels of income. For various reasons, the custom is gaining acceptance all over Indonesia. Apart of the basic reason such as lunching at work, the change in lifestyle and income levels has also become major driving force behind the trend. For a few, eating out as a family activity is done every weekend.

Future Trends

Terrorist attacks in Bali (October 2002), JW Marriot Hotel (August 2003) and Australian Embassy (September 2004) in Jakarta, and the SARS outbreak in Asia (2003), continue to have an adverse and lingering affect on the HRI industry in Indonesia. Government officials said the bomb blast in Australian Embassy may not significantly affect individual tourists but could lead to declining number of group tours who travel to attend meetings, conferences, or exhibitions. This has led many in the HRI sector to focus more on Indonesian customers, leading to a more price conscious consumer.

In 2004, the Revenue from the hotel and restaurant sector is estimated at US$ 5.2 billion based on the tourists arrival in the first semester of the year.

The customer base for most of the HRI trade is expected to shift to an even higher percentage of Indonesian customers, in contrast to the high percentage of expatriate customers in pre-crisis years. The expansion of the franchise restaurants (including fast food), casual dining cafés, international and family style restaurant, and food court is expected to increase imported food consumption.

Entry Strategy

A U.S. exporter that is interested in selling to the HRI trade in Indonesia should look for a reputable importer/distributor to represent their products. These companies have the import licenses and knowledge of customs clearance procedures that are required to successfully bring in products. They will also have the capability to be in a position to ensure the widest distribution for your items.

Despite the downturn this year, Jakarta and Bali remain the ideal locations to target in your market entry efforts. These cities have a sizeable HRI trade, which consist of 5-star hotels and upper-scale restaurants. They also have sizeable expatriate communities and a large numbers of foreign visitors that seek imported food products.

Best Market Prospects

Best market prospects for U.S. suppliers include U.S. beef, beef liver, and prime rib; duck and turkey; french fries; pastry products; sauces and seasonings; oil and vinegars; cereals; canned seafood and canned food; snack for hotel bars and room service; reasonably-priced wines; fresh fruits; liquor; beer; soft drinks, and juices; tortillas and Mexican products; tree nuts; and ice cream.

Further Information

For a more detailed assessment of the Indonesia retail food sector, please see: *Indonesia, Market Development Report, HRI Food Service Sector Report 2003.* Information on how to access this report is available under Section V.

C. Food Processing Sector

Market Overview

Indonesia offers significant market potential for U.S. suppliers of food and agricultural ingredients for the local food processing sector. Indonesian's food and beverage processing industry is worth over US$ 10 billion, and is comprised of 4,700 businesses, ranging from family owned business to multinational companies, and over 900,000 traditional home industries. Processed food sales in 2002 grew approximately 15 percent, reaching sales of over IDR. 61,000 billion (US$ 6.67 billion). Unfortunately, inflation played a significant role in driving up current value growth. Thus, in constant terms, the food processing sector was estimated to have grown by only 5 percent in 2001. Price increases for electricity, telephones, rice, and other basic necessity items in 2002 drove up end product prices.

Consumer sophistication, growing health consciousness, the introduction of new food products, and growth of modern retail outlets should lead to positive growth in the food-processing sector over the next five years, although political and security uncertainties are continuing to inhibit economic growth. Growth is expected to range from 4-11 percent in volume terms and increase by close to 8 percent in value terms.

Entry Strategy

Inputs for food processing can be categorized as follows:

- ?? Primary materials such as frozen boned beef, wheat or skimmed milk powder.
- ?? Essential complementary ingredients such as flavoring or preservatives.

Primary materials are most commonly imported directly by the food processor. Complementary ingredients are usually bought from a local importing agent because they are used in smaller quantities and often have limited shelf life.

Some "local suppliers" are agents in Singapore, which some producers find useful as a regional distribution point. Food processors buy from local agents in some cases because the agent has an exclusive sales agreement. Some companies would import directly if an alternative source were located.

Many multinational food processors operating in Indonesia must follow global product specifications. These companies have central purchasing offices, often in the U.S. or in Europe.

The range of products represented in the industry makes recommendation of one strategy difficult. Generally applicable principles are as follows:

? Personal contact and local representation is essential if a permanent presence in the market is envisaged.

? Local representation requires careful and detailed research to confirm claims. Prospective representatives who claim connections to important people should be treated with extreme caution. Such connections are not necessary - commercial acumen is greater value in the market than "good connections".

? Do not make any commitment to grant exclusive rights to a product before gaining experience of a prospective representative's capabilities.

? Pay attention to accounting standards applied in the preparation of reports supporting the financial standing of candidate representative's or partners.

Investment Trends

Foreign investment in the food processing sector is increasing as a result of liberalized investment regulations and the need for new capital during the ongoing economic crisis. A further consideration is the establishment of the AFTA trade zone giving favored treatment to regional production. Each of the following U.S.-based corporations based in Indonesia export to the region using their world brand names: Heinz - PT. Heinz ABC Indonesia; Campbells Soups - PT. Arnott's Indonesia (via Australian subsidiary); and Nabisco - PT. Nabisco Foods.

European investment is strongest in the dairy foods industry with Nestle, Freische-Foremost and Nutricia all long standing participants. Japanese investment in the sector does not match its standing in other Indonesian manufacturing sectors.

Consumption Trends

Significant growth potential exists in this sector for U.S. food ingredients. Indonesia will follow the economic model of shifting towards increased consumption of processed foods as the economy develops and the population becomes more urban. Indonesian people spent about 60 percent of total expenditure for food. Out of that 60 percent, only 25% is spent for processed food and beverages, or about U$ 8.55 billion annually, of which US$ 6.67 billion was for processed food (2002).

Post crisis, processed food industries are facing changing consumer profiles. There are a growing number of more sophisticated, critical, and educated consumers. Consumers are increasingly familiar with fortified food, i..e. products with added vitamins and minerals in milk, biscuits and ice cream. These sophisticated consumers gained knowledge not only from living, studying, and working abroad but also from the media. However, the majority of consumers remain price conscious.

To address price concerns, smaller pack sizes and no frill products and cost are being reduced to lead to more affordable products.

In contrast, relatively new categories, such as ready meals (industrially packed), meal replacement drinks, and snack bars have limited potential. Many consumers are unaware of these products and since the price is expensive, the penetration rate remains low. Ready meals will not be a necessity since affordable ready-to-eat or cooked food is available at eating outlets of all sizes throughout Indonesia.

Best Market Prospects

Best market prospects include wheat flour based food products as the alternate of Indonesian staple food in the form of noodle and baked goods, food-use soybeans, beef, dairy products, flavorings, processed poultry products, processed potato products, fruit concentrates, and bakery ingredients.

Further Information

For a more detailed assessment of the Indonesia retail food sector, please see: *Indonesia, Market Development Report, Food Processing Sector Report 2003.* Information on how to access this report is available under Section V.

D. Distribution System

Due to the widespread and diverse nature of the country involving thousands of islands, this system is complex. In many cases, the infrastructure is insufficient, especially outside big cities and Java island. The ability to move frozen and refrigerated products is limited. There are approximately 10 national distributors who service the whole country and numerous agents/distributors with a more local reach. There are hundreds of wholesalers and millions of retailers.

A World Bank study indicated that inadequate ports were the single largest and most consistent complaint in every province and with all levels of the distribution system. The most frequent criticisms cited in the report concerned shallow drafts in ports requiring small ships and inadequate loading and unloading facilities resulting in frequent congestion. Also cited by distribution firms are the unreliable shipping schedules and inadequate number of small ships serving Eastern Indonesia, particularly during bad weather periods - which results in frequent shortages and leads firms to hold higher than desired inventories, with higher costs.

Imported products that enter the Indonesian market often move to a distributor or agent, who in turn, sells them directly to modern retail outlets. Delivery of the products may be direct to stores or to the warehousing facilities of the retailer. Only a few retailers buy directly from foreign suppliers and assume responsibility for the logistics function. Major food processors tend to buy directly while smaller operations tend to buy through local agents.

The trade in fresh fruit differs from that of other consumer-ready food products. Fresh fruit imports are dominated by trading houses that specialize in fruit, whereas other food items are widely traded. For example, it is not unusual for one importer to carry such items as meat, poultry, french fries, and confectionary ingredients and deliver them directly to the retailer. On the other hand, fresh fruit will change hands several times before reaching the consumer, usually at the wet market or curbside fruit stands.

Restaurants and retailers alike frequently complain about the poor distribution system. Their complaints center around getting a consistent supply of quality food products. Sometimes distributors sell outdated products that they purchased inexpensively or a frozen product was not stored correctly and has been refrozen. In addition, they complain about the large number of distributors they must deal with since most of the distributors carry only a handful of products or carry a limited supply.

SECTION IV. BEST HIGH-VALUE PRODUCT PROSPECTS

Best market prospects imported product, as identified by the Agricultural Trade Office in Jakarta based on Central Bureau Statistics data are as follows:

HS Code	Description	2001 (USD 000)		2002 (USD 000)		2003 (USD 000)	
		World	US Origin	World	US Origin	World	US Origin
080810	Apples, fresh	47,000	25,000	68,300	31,600	61,800	26,800
040210	Milk and Cream, Concentrated, Whether or not Sweetened, In powder, granules or other solid forms, of a fat content, by weight, not exceeding 1.5%	160,500	27,200	119,000	5,400	113,500	8,600
080610	Grapes, fresh	10,000	5,300	18,600	10,000	18,000	8,400
040221	Milk and Cream, Concentrated, not sweetened, in powder, granules or other solid forms, of a fat content, by weight, exceeding 1.5%	56,500	300	27,300	0	37,200	5,400
210690	Food Preparation Nesoi	43,400	3,700	47,700	4,400	69,200	5,100
020622	Livers of bovine animals, edible, frozen	9,100	3,900	8,200	3,300	8,900	4,200
020629	Offal of bovine animals, edible, nesoi, frozen	7,500	1,100	14,500	3,900	14,200	3,700
350400	Peptones and derivatives; other proteins and derivatives, nesoi; hide powder, chromed or not	4,500	2,100	6,300	2,400	8,100	2,900
110520	Flakes, granules and pellets of potatoes	1,500	1,200	2,100	1,800	3,000	2,300
040410	Whey and modified whey, whether or not concentrated or	19,200	3,000	19,700	3,200	16,700	2,800

	containing added sweeterners						
230910	Dog, and cat food, put up for retail sale	3,200	1,500	3,700	1,200	3,900	1,500
0202	Meat of bovine animals frozen	22,800	1,300	17,900	1,200	17,700	1,500
080510	Oranges, fresh	7,600	800	13,900	1,000	17,600	1,400
040630	Cheese, processed, not grated or powdered	3,200	0	3,600	200	6,500	1,200
210610	Protein concentrates and textured protein substance	4,600	1,400	2,900	1,200	3,600	1,100
071010	Potatoes, uncooked or cooked by steaming or boiling in water, frozen	3,700	3,100	3,500	2,400	2,600	1,000
200410	Potatoes, including French fries, prepared or preserved otherwise than by vinegar or acetic acid, frozen	5,300	1,300	6,200	2,300	6,700	1,000
200490	Vegetables, nesoi, prepared or preserved otherwise than by vinegar or acetic acid, frozen	500	300	1,100	700	2,600	800
080212	Almonds, fresh or dried, shelled	800	600	900	700	900	800
210112	Coffee extracts, essences and concentrates and preparations of these extracts, essences or concentrates or with a basis of coffee	900	600	900	600	1,000	600

Country of origin:

HS Code	Description	2001 (percent USD value terms)	2002 (percent USD value terms)	2003 (percent USD value terms)
080810	Apples, fresh	***US 53%,*** China 32%, NZ 6%, France 4%	***US 46%,*** China 41%, France 4%, NZ 4%	China 48%, ***US 43%***, NZ 5%
040210	Milk and Cream, Concentrated, Whether or not Sweetened, In powder, granules or other solid forms, of a fat content, by weight, not exceeding 1.5%	NZ 32%, Australia 21%, ***US 17%,*** Netherlands 12%, germany 6%, Ireland 3%	Australia 32%, NZ 27%, Netherlands 18%, ***US 5%,*** Czech Republic 4%, Germany 3%, Poland 2%	NZ 25%, Netherlands 22%, Australia 17%, Germany 9%, ***US 8%,*** Ireland 3%, UK 3 %, Canada 3%, Poland 2%
080610	Grapes, fresh	***US 53%,*** Australia 36%	***US 54%,*** Australia 37%	***US 47%,*** Australia 29%
040221	Milk and Cream, Concentrated, not sweetened, in powder, granules or other solid forms, of a fat content, by weight, exceeding 1.5%	NZ 61%, Australia 13%, South Africa 10%, Denmark 9%, Spain 3%, Netherlands 2%	NZ 49%, Australia 31%, Netherlands 6%, South Africa 4%, Malaysia 3%	NZ 34%, Australia 33%, ***US 15%,*** Netherlands 6%, Malaysia 4%
210690	Food Preparation Nesoi	Netherlands 50%, South Korea 8%, Malaysia, 8%, ***US 8%,*** Thailand 6%, Ireland 3%, Australia 3%	Netherlands 49%, South Korea 12%, ***US 9%,*** Malaysia 8%, Thailand 5%, Philippines 3, Australia 2%	Netherlands 53%, South Korea 14%, Malaysia 8%, ***US 7%,*** Thailand 4%, Philippines 3%, Australia 2%, Japan 2%, China 2%
020622	Livers of bovine animals, edible, frozen	***US 43%,*** Australia 38%, NZ 15%	Australia 43%, ***US 41%,*** NZ 14%	***US 47%,*** Australia 37%, NZ 15%
020629	Offal of bovine animals, edible, nesoi, frozen	Australia 60%, NZ 21%, ***US 15%***	Australia 49%, ***US 27%,*** NZ 19%,	Australia 42%, NZ 30%, ***US 26%***
350400	Peptones and derivatives; other proteins and derivatives, nesoi; hide powder, chromed or not	***US 47%,*** Netherlands 29%, Brazil 13%	***US 39%,*** Netherlands 29%, Brazil 14%	***US 36%,*** Netherlands 30%, Brazil 10%, UK 9%
110520	Flakes, granules and pellets of potatoes	***US 81%,*** Canada 16%	***US 84%,*** China 2%, Malaysia 2%	***US 77%,*** Germany 9%, Netherlands 7%, Singapore 3%
040410	Whey and modified whey, whether or not concentrated or containing added sweeteners	France 29%, Netherlands 24%, Australia 23%, ***US 8%,*** Finland 5%	France 36%, Australia 19%, Ireland 13%, ***US 11%,*** Netherlands 11%	France 24%, Australia 20%, Finland 15%, Netherlands 14%, ***US 12%***
230910	Dog, and cat food, put up for retail sale	***US 47%,*** Australia 29%, Tahiland 19%	***US 32%,*** Australia 32%, Thailand 25%	***US 39%,*** Australia 28%, Thailand 24%
0202	Meat of bovine animals frozen	Australia 43%, NZ 30%, ***US 6%***	Australia 66%, Nz 27%, ***US 7%***	Australia 63%, NZ 28%, ***US 8%***
080510	Oranges, fresh	China 22%, Australia 20%, Egypt 19%, ***US 12%***, Pakistan 12%	China 26%, Pakistan 20%, Australia 13%, Egypt 10%, South Africa 9, Brazil 8%, ***US 7%***	Australia 23%, China 18%, Brazil 16%, Egypt 10%, Pakistan 9%, South Africa 8%, ***US 8%***
040630	Cheese, processed, not grated or powdered	NZ 59%, Australia 29%, France 8%, Netherlands 3%	NZ 50%m Australia 32%, France 9%, ***US 4%,*** Netherlands 4%	NZ 41%, Australia 25%, ***US 18%,*** Netherlands 9%, France 6%
210610	Protein concentrates and textured protein substance	***US 31%,*** Canada 31%, China 10%, Netherlands 7%, Australia 4%, Japan 2%	***US 42%,*** Netherlands 12%, Japan 10%, China 9%, Australia 7%	***US 32%,*** Japan 30%m Netherlands 9%, China 6%, Australia 5%, Taiwan 4%, Germany 3%
071010	Potatoes, uncooked or cooked by steaming or boiling in water, frozen	***US 83%,*** Netherlands 12%, Australia 3%	***US 68%,*** Singapore 13%, Netherlands 7%, NZ 6%, Hongkong 4%	NZ 50%, ***US 38%,*** Netherlands 9%, China 1%
200410	Potatoes, including French fries, prepared or preserved otherwise than by vinegar or acetic acid, frozen	Canada 50%, ***US 25%,*** Malaysia 16%, Netherlands 5%	***US 37%,*** Canada 34%m Malaysia 22%, NZ 5%	Canada 34%, Malaysia 17%, ***US 14%,*** Singapore 14%, Netherlands 12%, NZ 6%

200490	Vegetables, nesoi, prepared or preserved otherwise than by vinegar or acetic acid, frozen	***US 59%,*** China 16%, Japan 8%, Singapore 6%, Taiwan 3%	US 66%, China 10%, Japan 4%, Singapore 3%	Australia 65%, ***US 31%*****,** China 3%
080212	Almonds, fresh or dried, shelled	***US 79%,*** Australia 17%	***US 83%,*** Australia 14%	***US 89%,*** Australia 11%
210112	Coffee extracts, essences and concentrates and preparations of these extracts, essences or concentrates or with a basis of coffee	***US 71%,*** China 16%, Singapore 9%	***US 65%,*** Malaysia 11%, Singapore 7%	***US 57%,*** Malaysia 18%, UK 6%, Philippines 5%, South Korea 3%, China 3%

SECTION V. KEY CONTACTS AND FURTHER INFORMATION

Government of Indonesia Contacts for Food & Beverage Control				
Organization	**Contact Person**	**Address**	**Phone**	**Fax**
POM (National Agency for Drug and Food Control)	Drs. Sampoerno, Head	Jl. Percetakan Negara 23, Jakarta Pusat, Indonesia	62-21-424-4688; 424-3605	62-21-425-0764
Department of Agriculture-Directorate General for Animal Husbandry	Prof. Drh H.R. Wasito, Msc., Phd.	Jl. Harsono R.M. No.3, C Bld, 6th Floor, Jakarta 12550, Indonesia	62-21-781-5580	62-21-781-5581
Department of Agriculture-Quarantine Agency	Dr. drh. Budi Triakoso, Msc.	Jl. Harsono RM No. 3, E Building, 1st , Ragunan, Jakarta 12550, Indonesia	62-21-781-6481/2	62-21-781-6481/2
Indonesian Trade Association Contact List				
APRINDO (Indonesian Retail Merchants Association)	Mr. Handaka Santosa, Ketua Satria Hamid Ahmadi S. – Kep. Secr.	E-Trade Building, 3rd Floor, Jl. Wahid Hasyim No.55. Jakarta 10350, Indonesia	62-21-315-4241; 392-8545	62-21-3192-3267 aprindo@cbn.net.id
ASIBSINDO (Indonesian Fruit & Vegetables Importers Association)	Drs. Hendrawan - Chairman	Plaza Dwima I, Lt IV Jl. Jend. A. Yani Kav 67 Jakarta Pusat	62-21-420-6544	62-21-420-6544 kahansamitrabuana@yahoo.com
ASPIDI (Association of Indonesian Meat Importers)	Mr. Thomas Sembiring, President	Jl. Ciputat Raya No. 351, Kebayoran Lama, Jakarta 12240	62-21-7279-3417 & 7279-3409	62-21-7279-3419 asp_1984@cbn.net.id
Indonesian Fish Cannery Association	Hendri Sutandinata, MBA, Chairman	Jl. Cipinang Indah Raya No. 1, Jakarta 13420, Indonesia	62-21-819-6910	62-21-850-8587
IPS (Dairy Processor Assocaition)	Mr. Sabana , Director & Mr. Syahlan Siregar (Secretary)	Wisma Nestle,5th . Arcadia Office Park, Jl. Letjen T.B. Simatupang Kav 88, Jakarta 12520	62-21-7883-6000 ext 1501	62-21- 7883-6001
AIMMI (Indonesian Food & Beverage Importer Association)	Mr. Mario Waas, Secretary General	Grand Boutique Center, Block C-8, Jl. Arteri Mangga Dua, Jakarta 14430, Indonesia	62-21-612-2667; 628-0710	62-21-626-1351 mario_waas@telkom.net
Indonesian Cold Chain Association (ARPI)	Mr. Muslim Faisal – Executive Director	Graha Iskandarsyah, 8th floor Jl. Iskandarsyah Raya/66C, Kebayoran, Jakarta 12160	62-21-7278-3707	62-21-7278-3708 arpi@cbn.net.id

U.S. Cooperator and MAP Participants				
Organization	**Contact Person**	**Address**	**Phone**	**Fax**
AgriSource Co., Ltd Regional representative for USA Dry Peas, Lentils & Chickpeas	Tim Welsh, Managing Director	Ambassador's Court, 4th Floor, No. 416, 76/1 Soi Lang Suan, Ploenchit Road, Bangkok, Thailand 10330	(66-2) 251-8655 /6	(66-2) 251-0390 E-mail: agsource@loxinfo.co.th
Lieu Marketing Assoc. Pte. Ltd Regional representative for: California Pistachio Commission, California Table Grape Commission, California Tree Fruit Agreement, Pear Bureau Northwest, Raisin Administrative Committee, United States Potato Board, Wine Institute of California, FMI	Richard Lieu, Director	# 08-22 Block 3, Alexandra Distripark, Pasir Panjang Road, Singapore 118483	65-6278-3832	65-6278-4372 E-mail: gabaric@singnet.com.sg
Peka Consult, Inc. Country representative for Washington Apple Commission, California Table Grape Commission, California Pear Bureau, Sun-maid raisin, Sunkist Pistachious,	Kafi Kurnia, Leonard Tjahjadi, Dian Mediana	Jl. Kemang Raya No. 1, Jakarta, Indonesia 12160	(62-21) 721-1358	(62-21) 721-1357 E-mail: peka@indo.net.id
PT Swaco Prima Windutama Country representative for U.S. Grain Council and American Soybean Association	A. Ali Basry, Director	Wisma Mitra Sunter # 402 Blok C-2, Boulevard Mitra Sunter, Jl. Yos Sudarso Kav 89, Jakarta, Indonesia 14350	(62-21) 651-4752	(62-21) 651-4753 E-mail: asagrain@indosat.net.id
PacRim Assoc. Ltd Regional Representative for the U.S. Dairy Export Council	Dan Fitzgerald, Director	11/14 Soi Ruam Council, Wireless Road, Bangkok 10330	(66-2) 689-6311	(66-2) 689-6314 E-mail: usdec@pacrim.co.th
U.S. Meat Export Federation	Eric Choon, Asean Director	39 Tyrwhitt Road, 3rd Floor Suite, Singapore 207538	65-6733-4255/6	65-6732-1977 E-mail: echoon@usmef.com.sg
USA Poultry & Egg	Margaret Say	# 15-04 Liat	(65) 6737-1726	(65) 6737-1727

Export Council	Regional Director	Towers, 541 Orchard Road, Singapore 238881		E-mail: usapeec_sing@pacific.net.sg
U.S. Wheat Associates	Mark Samson Vice President for South Asia	# 15-02 Liat Towers, 541 Orchard Road, Singapore 238881	(65) 6737-4311	(65) 6737-9359 E-mail: msamson@uswheat.org
American Soybean Association	John Lindblom Regional Director	#11-03 Liat Towers, 541 Orchard Rd., Singapore 238881	(65) 6737-6233	(65)6 737-5849 E-mail: asaspore@pacific.net.sg
U.S. Grains Council	Kimberly Rameker - Regional Director	Wisma SOCFIN, Peti Surat #06 Tingkat Tiga, Jl Semantan 50490 Kuala Lumpur	(60-3) 2095-9826	(60-3) 2096-2053 E-mail: krameker@usgc.com.my

POST CONTACT AND FURTHER INFORMATION

The Foreign Agricultural Service (FAS) of US Embassy Jakarta maintains up-to-date information covering food and agricultural import opportunities in Indonesia and would be pleased to assist in facilitating U.S. exports and entry to the Indonesia market. Questions or comments regarding this report should be directed to the FAS Jakarta at the following local or U.S. mailing address:

Foreign Agricultural Service
U.S. Embassy Jakarta
Jl. Medan Merdeka Selatan # 3-5
Jakarta 10110 - Indonesia
Tel: +62 21 3435-9161
Fax: +62 21 3435-9920
e-mail:agjakarta@usda.gov
Home page:www.usembassyjakarta.org/fas

Foreign Agricultural Service
U.S. Embassy-Jakarta
Box 1, Unit 8129
FPO AP 96520-0001

Please contact our home page for more information on exporting U.S. food products to Indonesia, including “Market Brief: Imports of U.S. Fresh Fruit: Indonesia”, "Market Brief - Beef Liver & Chicken Leg Quarter in Indonesia", Market brief – Snack Food” Indonesia, and "Market Brief-Furniture Industry in Indonesia".

For more information on exporting U.S. agricultural products to other countries, please visit the Foreign Agricultural Service’s Home Page: http://www.fas.usda.gov

EXPORTER GUIDE:
APPENDIX I. STATISTICS

A. KEY TRADE INFORMATION FOR INDONESIA

Item	Import from the World (million)			U.S. Market Share (%)		
	2002	2001	2000	2002	2001	2000
Agricultural Products	4,185	4,145	4,165	19	29	17
Consumer-Oriented Agr.	862	849	818	11	12	11
Fish & Seafood Products	29	31	37	5	7	2

Demographic Information: Indonesia			
Total Population (million) in 2003	216	Annual Growth Rate in 2003	1.5%
Urban Population (million) in 2002	90	Annual Growth Rate in 2002	Na
Number of major Metropolitan Areas	10		
Size of the Middle Class (millions) in 2003	32	Growth Rate in 2003	Na
Per Capita Gross Domestic Product in 2003	US$882		
Unemployement Rate in 2003	9.5%		
Per Capita Food Expenditures in 2003	USD171*		
Percent of female Population Employeed	51%		
Exchange Rate (US $ 1= X.X. local currency)	See below		
*: Average per capita expenditure US$300 (57% of those is for food); US $1=IDR 9,100 (Sept 27, 2004)			

Exchange Rate (Rp/US $) on Month Ending Basis												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1997	2387	2403	2418	2443	2458	2450	2528	2190	3350	3700	3740	5700
1998	13513	9377	8740	8211	10767	15160	13850	11700	11314	9142	7755	8100
1999	9419	8992	8778	8632	8179	6750	6989	7736	8571	6949	7439	7161
2000	7414	7517	7598	7988	8728	8742	9055	8370	8891	9493	9524	9385
2001	9488	9914	10460	11675	11375	11440	11312	8670	9675	10435	10430	10200
2002	10383	10222	9779	9441	9823	8741	9171	8938	9057	9257	9020	8929
2003	8877	8917	8587	8771	8274	8259	8463	8488	8468	8627	8537	8528
2004	8417	8439	8587	8661	9210	9415	9056	9265	9205			

B. CONSUMER FOOD & EDIBLE FISHERY PRODUCT IMPORT

Indonesia Imports (In Millions of Dollars)	Imports from the World 2000	2001	2002	Imports from the U.S. 2000	2001	2002	U.S Market Share 2000	2001	2002
CONSUMER-ORIENTED AGRICULTURAL TOTAL	818	849	862	86	100	93	11	12	11
Snack Foods (Excl. Nuts)	19	20	29	1	1	1	2	2	1
Breakfast Cereals & Pancake Mix	6	5	5	1	1	1	11	10	11
Red Meats, Fresh/Chilled/Frozen	63	41	43	9	6	8	14	15	20
Red Meats, Prepared/Preserved	2	2	2	1	1	1	8	11	7
Poultry Meat	10	1	1	8	1	1	79	62	15
Dairy Products (Excl. Cheese)	253	317	236	10	32	9	4	10	4
Cheese	12	14	16	1	1	1	1	4	5
Eggs & Products	5	2	3	1	1	1	6	12	23
Fresh Fruit	135	140	211	31	32	43	23	23	21
Fresh Vegetables	64	73	71	1	1	1	0	1	1
Processed Fruit & Vegetables	30	29	40	13	12	14	43	42	34
Fruit & Vegetable Juices	4	5	4	1	1	1	6	9	6
Tree Nuts	2	1	2	1	1	1	53	51	38
Wine & Beer	1	2	2	1	1	1	12	6	7
Nursery Products & Cut Flowers	1	1	1	1	1	1	2	3	10
Pet Foods (Dog & Cat Food)	2	3	4	1	2	1	46	47	32
Other Consumer-Oriented Products	208	192	192	11	12	12	5	6	6
FISH & SEAFOOD PRODUCTS	37	31	29	1	2	1	2	7	5
Salmon	1	2	2	0	1	1	0	2	14
Surimi	1	1	1	0	0	0	0	0	0
Crustaceans	12	11	11	1	1	1	3	11	7
Groundfish & Flatfish	6	4	3	1	1	1	2	5	2
Molluscs	6	6	4	1	1	1	3	5	2
Other Fishery Products	12	8	9	1	1	1	1	7	2
AGRICULTURAL PRODUCTS TOTAL	4,165	4,145	4,185	724	1,197	797	17	29	19
AGRICULTURAL, FISH & FORESTRY TOTAL	4,329	4,283	4,334	783	1,251	847	18	29	20

Source: FAS' Global Agricultural Trade System using data from the United Nations Statistical Office

C. TOP 15 SUPPLIERS OF CONSUMER FOODS & EDIBLE FISHERY PRODUCTS

CONSUMER-ORIENTED AGRICULTURAL TOTAL - 400

Reporting: Ind	Import 2000 Value 1000$	Import 2001 Value 1000$	Import 2002 Value 1000$
China (Peoples	102,673	116,445	169,586
Australia	104,206	110,297	127,052
United States	86,193	99,877	92,664
New Zealand	121,356	130,334	80,796
Thailand	59,944	61,432	70,334
Netherlands	58,066	62,165	64,121
Malaysia	17,421	25,368	38,734
Philippines	22,851	32,482	30,979
Singapore	23,133	23,596	22,515
France	14,443	15,226	15,503
Pakistan	7,744	14,947	13,483
Germany	21,382	19,897	12,706
Korea, Republic	5,050	9,437	11,198
Canada	4,918	7,246	9,927
Ireland	29,584	14,625	9,751
Other	139,297	105,341	92,509
World	818,306	848,778	861,877

FISH & SEAFOOD PRODUCTS - 700

Reporting: Indor	Import 2000 Value 1000$	Import 2001 Value 1000$	Import 2002 Value 1000$
China (Peoples Re	3,538	2,348	5,721
Singapore	2,462	2,433	3,040
Malaysia	1,503	2,129	2,762
Japan	3,010	4,223	1,950
Free Zones	0	2,332	1,850
Taiwan (Estimated	4,732	2,439	1,796
Thailand	1,620	1,918	1,679
United States	655	2,253	1,439
Korea, Republic of	3,934	1,353	1,400
India	2,014	2,548	1,123
Vietnam	2,516	374	1,009
Norway	619	577	890
Australia	1,214	1,484	829
Argentina	242	533	554
France	50	95	473
Other	8,641	4,062	2,372
World	36,762	31,095	28,897

EXPORTER GUIDE

APPENDIX II: CALENDAR OF ENDORSED TRADE SHOWS IN INDONESIA

Name of Event	**FOOD & HOTEL INDONESIA 2005**
Event Location	Jakarta International Exhibition Center, Kemayoran, Indonesia
Industry theme	The 8th International Hotel, Catering Equipment, Food and Drink Exhibition; The 3rd International Retail Technology
Dates of Event	April 6-9, 2005
Type of Event	International Exhibition
Name of Organizer	P.T. Pamerindo Buana Abadi
Phone of Organizer	(62-21) 316-2001
Fax of Organizer	(62-21) 316-1983/4
E-mail of Organizer	wiwiek@pamerindo.com
Web site	www.pamerindo.com

Name of Event	**FOOD, HOTEL & TOURISM BALI 2006**
Event Location	Bali International Convention Center, Nusa Dua - Bali, Indonesia
Industry them	The 5th International Exhibition for Equipment, Food, Beverages and Services to Support Indonesia's Tourism and Hospitality Industries; The 4th International Retail Technology
Date of Event	February 9-11, 2006
Type of Event	International Exhibition
Name of Organizer	PT Pamerindo Buana Abadi
Phone of Organizer	(62-21) 316-2001
Fax of Organizer	(62-21) 316-1983/4
E-mail of organizer	wiwiek@pamerindo.com
Web site	www.pamerindo.com

EXPORTER GUIDE APPENDIX III: DEFINITION	
Convenience store	Shop selling a wide range of goods with extended opening hours. Usually abbreviated to c-store
Co-operative	Co-operatives are societies affiliated to the worldwide federation of co-operative, founded in 1895 to promote fair trading. In each country where co-operative function there are a number of societies controlling a series of retail outlets.
Hypermarket	Store with a sales area of over 2,500 sq m, with at least 35% of selling space devoted to non-foods. Frequently on out-of-town sites or as the anchor store in a shopping center
Independent grocers	A retailer owning and operating one or more (but fewer than 10) retail outlets, but not affiliated to any other business; mainly family business or partnership
Supermarket	The most widely used definition is that of store with a selling areas of between 400 and 2,500 sq m, selling at least 70% foodstuffs and everyday commodities
Wet markets	Wet markets are covered development that sell a wide variety of fresh food produce such as meat, fish, fruit, and vegetables. They generally only open in the morning, from 5:00 AM to 11:00 AM, and each wet market contain an average of 150 stall/others
Department stores	A store with a sales area of at least 2,500 sq m, selling mainly non-food merchandise and at least five lines in different departments. They are usually arranged over several floors.
Café's/Bars	Encompasses all establishments where the focus is on drinking either alcoholic or non-alcoholic drinks and where food is also served. While a wide variety of snacks and full meals are offered, it is not uncommon for customers to only order a drink
Full service restaurants (FSR)	Encompasses all sit-down establishments where the focus is on food rather than on drink. It is characterized by table service and a relatively higher quality of food offering to quick-service units. It also includes a'la carte, all-you-can-eat and sit –down buffets within restaurants